



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-827]

Certain Cased Pencils from the People's Republic of China: Final Results of the Expedited Fifth Sunset Review of the Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: As a result of this sunset review, the U.S. Department of Commerce (Commerce) finds that revocation of the antidumping duty (AD) order on certain cased pencils (pencils) from the People's Republic of China (China) would be likely to lead to the continuation or recurrence of dumping at the level indicated in the "Final Results of Review" section of this notice.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Katherine Johnson, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4929.

SUPPLEMENTARY INFORMATION:

Background

On August 1, 2022, Commerce published the notice of initiation of the fifth sunset review of the *Order*¹ on pencils from China pursuant to section 751(c)(2) of the Tariff Act of 1930, as amended (the Act).² On August 8, 15, and 16, 2022, respectively, Commerce received notices of intent to participate from the Dixon Ticonderoga Company (Dixon), Musgrave Pencil Company (Musgrave), and LaRose Industries LLC dba Cra-Z-Art (LaRose) (collectively, the domestic

¹ See *Antidumping Duty Order: Certain Cased Pencils from the People's Republic of China*, 59 FR 66909 (December 28, 1994) (*Order*).

² See *Initiation of Five-Year (Sunset) Reviews*, 87 FR 46943 (August 1, 2022).

interested parties) within the deadline specified in 19 CFR 351.218(d)(1)(i).³ These companies claimed interested party status under section 771(9)(C) of the Act as domestic producers of pencils in the United States.

Commerce received complete substantive responses from Dixon and Musgrave/LaRose on August 26 and 31, 2022, respectively, within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁴ No respondent interested party submitted a substantive response within the 50-day deadline. On September 20, 2022, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties in this sunset review.⁵ As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce is conducting an expedited (120-day) sunset review of the *Order*.

Scope of the *Order*

The merchandise covered by the *Order* is certain cased pencils of any shape or dimension which are writing and/or drawing instruments that feature cores of graphite or other materials, encased in wood and/or man-made materials, whether or not decorated and whether or not tipped (*e.g.*, with erasers, *etc.*) in any fashion, and either sharpened or unsharpened.

The subject merchandise is currently provided for in item 9609.10.10 of the Harmonized Tariff Schedule of the United States (HTSUS). While the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of this order is dispositive.⁶

Analysis of Comments Received

³ See Dixon's Letter, "Dixon Notice of Intent to Participate (Fifth Review)," dated August 8, 2022; Musgrave's Letter, "Notice of Intent to Participate," dated August 15, 2022; and LaRose's Letter, "Notice of Intent to Participate," dated August 16, 2022.

⁴ See Dixon's Letter, "Dixon Substantive Response (Fifth Review)," dated August 26, 2022; and Musgrave/LaRose's Letter, "Substantive Response of Domestic Interested Parties," dated August 31, 2022.

⁵ See Commerce's Letter, "Sunset Reviews Initiated on August 1, 2022," dated September 20, 2022.

⁶ For a full description of the scope of the *Order*, see Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited Fifth Sunset Review of the Antidumping Duty Order on Certain Cased Pencils from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

All issues raised in this sunset review are addressed in the accompanying Issues and Decision Memorandum.⁷ A list of topics discussed in the Issues and Decision Memorandum is included as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. A complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Review

Pursuant to sections 751(c)(1) and 752(c)(1) and (3) of the Act, Commerce determines that revocation of the *Order* would be likely to lead to the continuation or recurrence of dumping, and that the magnitude of the margin likely to prevail is up to 53.65 percent.

Administrative Protective Order

This notice also serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

⁷ See Issues and Decision Memorandum.

Notification to Interested Parties

We are issuing and publishing these final results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act, and 19 CFR 351.218(e)(1)(ii)(C)(2) and 19 CFR 351.221(c)(5)(ii).

Dated: November 17, 2022.

Lisa W. Wang,

Assistant Secretary

for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. History of the *Order*
- V. Legal Framework
- VI. Discussion of the Issues
 - 1. Likelihood of Continuation or Recurrence of Dumping
 - 2. Magnitude of the Dumping Margin Likely to Prevail
- VII. Final Results of Expedited Fifth Sunset Review
- VIII. Recommendation

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